

STATE PROPERTIES COMMITTEE

Tuesday, October 25, 2005

The meeting of the State Properties Committee was called to order at 10:05 A.M. by Chairman Jerome F. Williams. Other members present were, Richard Woolley, Esquire, representing the Department of Attorney General, Mr. Robert Griffith, representing the Department of Administration and Mr. Robert Kay, Public Member. Also present were, Misses Maureen McMahon, Grace Smith, Valaria Bianco and Messrs Paul Carcieri, David Coppotelli, Marc Malkasian, Robert Jackson, Tim Harris and Andrew Cardillo, from the Department of Transportation; Mary Kay, Esquire, from the Department of Environmental Management; Louis Saccoccio, Esquire, and Mr. Vernon Wyman, from the University of Rhode Island; Mr. Christopher Cotta, from the Department of the Attorney General; J. Renn Olenn, Esquire; and, Misses. Alexis Budlong-Springer and Millicent Budlong.

The Minutes of the meetings held on September 20 and October 11, 2005 were approved with corrections regarding the attendance of the meeting. The minutes of September 20, 2005 should read, "Also present were, Ms. Marlene McCarthy-Tuohy and Mr. Robert Burnelle, from the Department of Administration and Mr. Robert Kay, Public Member."

1. OLD BUSINESS
2. NEW BUSINESS – Miscellaneous – The next scheduled meeting of the State Properties Committee is scheduled to be held on Tuesday, November 8, 2005.

ITEM A – OFFICE OF HIGHER EDUCATION - UNIVERSITY OF RHODE ISLAND – A request was made by the Office of Higher Education for approval and signatures on an Agreement and a Building Lease/Purchase Agreement with Chi Phi

Holding Corporation of Rhode Island, Inc. regarding property located at 11 Fraternity Circle and 61 Upper College Road, Kingston.

This matter was deferred from August 17, 2005. At that time, the Office of Higher Education learned that as a result of an enactment of the General Assembly the Public Corporation Debt Management Act was amended eliminating the monetary thresholds contained therein and making these arrangements subject to that process in compliance with that Statute. That Statute requires either approval by the General Assembly if in session, or approval by the Governor, subject to notice to the General Assembly. The Governor supports the transaction and certification will be provided this week.

This matter is regarding an arrangement that URI is making with a fraternity that has been on the campus for some time. URI is taking over their building at 61 Upper College Road for expansion of the International Engineering Program. URI will be leasing the building for ten (10) years, at which time URI will be acquiring full ownership of it. Because the fraternity is being replaced, URI has allowed them to construct a new facility on Fraternity Circle. URI is giving them a License to construct and maintain a building on URI's property. URI is requesting approval and signatures on an Agreement to License the land to the fraternity for the purposes of constructing the new facility. Although URI is leasing the facility on Upper College Road, it is essentially acquiring it. URI is paying \$470,000.00 as a deposit for that purpose, which is the current value of the property prior to the improvements. At the end of the period URI will have a facility that has a value of \$1M. All revenue used to pay the debt service will be from the fees charged to the students residing in the facility.

A motion was made by Mr. Woolley and seconded by Mr. Griffith to approve the request of the Office of Higher Education – URI for approval and signatures on a

Building Lease/Purchase Agreement with Chi Phi Holding Corporation of Rhode Island, Inc. regarding property located at 61 Upper College Road, Kingston.

Approval was granted subject to receipt of Certification of the Governor.

Passed Unanimously

A motion was made by Mr. Kay and seconded by Mr. Woolley to approve the request of the Office of Higher Education – URI for approval and signatures on a License Agreement with Chi Phi Holding Corporation of Rhode Island, Inc. regarding property located at 11 Fraternity Circle.

Approval was granted subject to receipt of Certification of the Governor.

Passed Unanimously

ITEM B - DEPARTMENT OF ADMINISTRATION – A request was made by the Department for final approval and signatures on an Easement with Narragansett Electric for the Cranston Street Armory.

At the request of the Department, this item was deferred to November 8, 2005.

ITEM C – DEPARTMENT OF ATTORNEY GENERAL – A request was made by the Department for approval and signatures on a Lease with MetroPark for parking spaces.

On August 30, 2005, the Department appeared before the Committee with a plan of action to move some parking from the Dyer Street parking lot to the South Broad Street lot and the garage on the other side of the Providence River. MetroPark has agreed to freeze their rate for this current year through September 2006.

A motion was made by Mr. Griffith and seconded by Mr. Kay to approve the request of the Department for approval and signatures on a Lease with MetroPark for parking spaces.

Since Mr. Woolley is with the Department, he recused himself from voting on this item.

Passed Unanimously

ITEM D – DEPARTMENT OF ENVIRONMENTAL MANAGEMENT – A request was made by the Department for approval and signatures on an Indenture of Lease with Kimberly Sullivan for use of a residence at Summit Road in Richmond.

This is the Lease for the Caretakers Cottage at the Arcadia Warm Water Hatchery. The property is located at 1 Summit Road in Richmond. A new appraisal of the property has been done. Based on that appraisal rent is \$5,220.00 yearly. Deductions were taken for maintenance, snow removal, surveillance response and credit for a “nuisance factor” (living in a state park). The terms of the lease are November 1, 2005 through October 31, 2010.

A discussion ensued regarding the deductions made for surveillance response responsibilities. The Chair Mr. Williams agreed that with a hatchery there is more of a likelihood of the need for surveillance and response and a nuisance factor in deducting 40% of the rent. He went on to say that he would not support this high level of reduction in rent in other rental properties that the Department has.

A motion was made by Mr. Woolley and seconded by Mr. Griffith to approve the request of the Department for approval and signatures on an Indenture of Lease with Kimberly Sullivan for use of a residence at Summit Road in Richmond.

Passed Unanimously

ITEM E – DEPARTMENT OF TRANSPORTATION – A request was made by the Department for approval and signatures on License with Wesco Realty LLC for use of property located at 307 Farnum Pike in the Town of Smithfield.

This matter involved the use of 5,250 square feet of state-owned land for vehicle parking. This matter was deferred from the October 11, 2005 State Properties Committee meeting. At that time, the Committee requested that the appraisal value be reviewed. The Department had the value reviewed. The original value was \$110.00 per month and has increased to \$1,706.00 per month. This property has been used by Westco Realty. Mr. Woolley noted that there is a chain link fence on the property, which has been there for a number of years. A lengthy discussion took place regarding the valuation of the property and the fence. The Chair, Mr. Williams suggested that the Department review this and determine a reasonable amount of the rent.

A motion was made by Mr. Griffith and seconded by Mr. Woolley to table this matter.

Passed Unanimously

ITEM F – DEPARTMENT OF TRANSPORTATION – A request was made by the Department for approval and signatures on a Lease Agreement with Quonset Development Corporation and License Agreement with Seaview Transportation Company, Inc. in connection with railroad operations.

On July 25, 2003, the Rhode Island Economic Development Corporation transferred gratis, approximately 80.77 acres of land for the relocation of the State Highway Route 403 in Quonset to the Department. Subsequently, the Department, in conjunction with the Federal Highway Administration determined that approximately 3.6 acres of this property will be needed for highway purposes in the future, but at this point in time is not needed. In order to accommodate an existing railroad marshalling area, the Department and the Quonset Development Corporation, which is a subsidiary of the Rhode Island Economic Development Corporation, have agreed upon a five year gratis Lease Agreement with three five year option terms. In addition, is a gratis Operating

License Agreement between Quonset Development Corporation and Seaview Transportation Company, Inc. which becomes effective upon execution by the State Properties Committee and terminates December 31, 2010.

A motion was made by Mr. Woolley and seconded by Mr. Griffith to approve the request of the Department for and signatures on a Lease Agreement with Quonset Development Corporation and a License Agreement with Seaview Transportation Company, Inc. in connection railroad operations.

Passed Unanimously

ITEM G – DEPARTMENT OF TRANSPORTATION – A request was made by the Department for conceptual approval to convey property located on Route 5 (Greenwich Avenue) between Chapmans Avenue and the southeast corner of Main Avenue, Warwick.

A map was displayed depicting the area in question, and the Carpionato property, the former Apex site, and the existing Shell Station. The subject area is a portion of the existing right-of-way on the east side of Route 5, Greenwich Avenue, between Chapmans Avenue and the southeast corner of Main Avenue. The property consists of 15,838 square feet which will become surplus upon the completion of the reconstruction of Route 5 in the latter part of 2007. It was noted that in reference to the subject property and the property in Items “H” and “I”, the abutters have approached the Department requesting to acquire the property.

The City of Warwick has indicated that it does not have any objection to the proposed transaction, however it does request as a condition, that the owner be required to merge the subject property with their abutting property through an administrative subdivision as specified in the City of Warwick Development Review Regulations and RIGL 45-23, the Land Development and Subdivision Review Act. The Statewide

Planning Program concurs that it should be merged. The properties that are the subject of Items “H” and “I” were indicated and pointed out on the map.

The Chair, Mr. Williams inquired if the Department normally is interested in selling properties at the beginning of a project especially since this project will not be completed until 2007. The Department wanted to pursue at this time. While it is not normal, the abutting property owners have a concern as to what will happen to the property and put their request in at this time. Mr. Jackson stated it is too early to get appraisals on this property and the Chair agreed. The Chair indicated that if conceptual approval was granted to convey the property, he would not have a problem with that, as long as the Department refrained from getting appraisals until the project was completed. There have been no other persons requesting to acquire at this time.

Mr. Kalunian, from the Department gave a presentation. Which involved Items “G”, “H” and “I”. He stated that since the inception of the project, there has been a concern with the property owners. Ms Millicent Budlong and Ms. Alexis S. Budlong-Springer were present at the meeting. There is concern about the Department moving the road further away from the frontage of their business and having an adverse affect on their property value. If the Department were to convey the corner locations to a third party, they would not longer enjoy the corner location with the commercial frontage. The Department has made an allowance and received input with the property owner as to curb openings and driveways. The Department has just completed an acquisition from the Shell Station and took easements on some of the properties. The Department is still negotiating with the Shell Station for an agreement, and the disposition of the properties in question will play into that agreement. There is a fear by the property owners that the properties could be sold to someone else and they are being put on the fast track to give some assurance that the Department was moving forward. It will be a few years before

the property is transferred, but the Department wishes to take the considerations of the owners who enjoy the road frontage there.

A motion was made by Mr. Griffith and seconded by Mr. Woolley to approve the request of the Department for conceptual approval to convey property located on Route 5 (Greenwich Avenue) between Chapmans Avenue and the southeast corner of Main Avenue, Warwick.

Passed Unanimously

ITEM H – DEPARTMENT OF TRANSPORTATION – A request was made by the Department for conceptual approval to convey property located on Route 5 (Greenwich Avenue) @ Metro Center Boulevard and James Street, Warwick.

Discussions that took place in Item “G” applies to this item. Correspondence was received from Mr. Kevin Nelson, from the Statewide Planning Program, which indicated that notification of the proposed transaction was sent to the municipal planner for comment as to conformance with the Community Comprehensive Plan as well. It indicated the Warwick Planning Director noted that although the parcel is zoned “Office”, the City would prefer to have the parcel remain as open space.

A map was displayed indicating the area as well as the property owned by O & P Realty, LLC. The area is a portion of the existing right-of-way on the east side of Route 5 (Greenwich Avenue), which encompasses the jug handle located between Metro Center boulevard and James Street. This is a parcel consisting of 29,300 square feet which will become surplus upon the completion of the reconstruction of Route 5 in the latter part of 2007. There would be no access from Rt 5 or Metro Center Boulevard. The abutter has expressed interest in the property. The abutting property is commercial. Discussion took place regarding the City’s desire to keep the property as open space.

ITEM I – DEPARTMENT OF TRANSPORTATION – A request was made by the Department for conceptual approval to convey property located on Route 5 (Greenwich Avenue) between Main Avenue and Cadora Avenue, Warwick.

Discussions that took place in Item “G” applies to this item. Correspondence was received from Mr. Kevin Nelson, from the Statewide Planning Program, which indicated that notification of the proposed transaction was sent to the municipal planner for comment as to conformance with the Community Comprehensive Plan as well. The City has no objection to the conveyance but does request, as a condition of the conveyance, that the new owner (Greenwich Avenue LLC) be required to merge the subject parcel with their abutting property. Correspondence has also been received from Rhode Island Housing expressing an interest in acquiring the property. The Chair Mr. Williams suggested if conceptual approval is granted, Rhode Island Housing should be notified and they should come forward with additional information about their interest.

This property is a portion of the existing right-of-way on the east side of Route 5, (Greenwich Avenue), between Main Avenue and Cadora Avenue. A parcel consisting of approximately 29,890 square feet will become surplus upon the completion of the reconstruction of Route 5 in the latter part of 2007. It was noted that the properties have been acquired by condemnation and the City will have an opportunity to purchase the property at the same terms and conditions.

Ms. Alexis S. Budlong-Springer and Ms. Millicent Budlong spoke at the meeting. Ms. Budlong-Springer stated her family owns the Greenwich Avenue, LLC. She stated there is a major concern on their part. They are the abutting owners of the property noted in Item “I” and have been expressing an interest in it as the abutting owners for ten years. She asked to receive future notifications of all these types of meetings. Ms. Budlong-

Springer stated they were unaware of the interest of Rhode Island Housing in the property and that is of major concern because it would land-lock the current businesses they have there. They own the Sunoco Gas Station, which is still operational and the abutting property, which is Cedarhurst School. She went on to say, to have another business purchase the property in front of their gas station, would be a major financial burden. The Chair stated that from time to time Rhode Island Housing indicates an interest in state surplus property and in many cases the state does not hear from them again. He stated he agreed they are not good size parcels, but they may still be interested and under state law, the Department must provide that notice to state agencies. The Chair stated at this point it is conceptual approval. No matter what happens, the former owners and the City have the right to purchase it. Additional questions were asked regarding Rhode Island Housing and the types of housing they provide.

Ms. Millicent Budlong commented about what would happen to property if a housing development were built there. She stated their businesses would be landlocked. Additional discussion ensued. Ms. Millicent Budlong inquired about access to the property if in fact Rhode Island Housing did build in front of their property. Mr. Kalunian stated that was the concern he tried to express. In both instances, the Department is going forth with the abutters for conceptual approval. There would be a concern if a third party came in. The Department would have to somehow reserve easement for them to have access, which would then bisect the parcel and make it less desirable to a third party. A note will be made by the Department of that concern for the record.

A motion was made by Mr. Griffith and seconded by Mr. Woolley to approve the request of the Department for conceptual approval to convey property located on Route 5 (Greenwich Avenue) @ Metro Center Boulevard and James Street, Warwick and Route 5 (Greenwich Avenue) between Main Avenue and Cadora Avenue, Warwick.

Passed Unanimously

ITEM J – DEPARTMENT OF TRANSPORTATION – A request was made by the Department for approval and execution of a License with Arthur D. Silva for use of property located on Old Colony Terrace, Tiverton.

This is a renewal of a License Agreement with Arthur D. Silvia for the license of 600 square feet of land on Old Colony Terrace in Tiverton. Mr. Silvia requested to renew this license to use the land for pedestrian crossing. He owns two parcels which are bisected by inactive railroad tracks. One parcel contains his house and the other vacant parcel abuts Mount Hope Bay. The License is for a period of five years, from November 1, 2005 to October 31, 2010. Rent is at the rate of \$30.00 per month.

A motion was made by Mr. Woolley and seconded by Mr. Griffith to approve the request of the Department for approval and execution of a License with Arthur D. Silva for use of property located on Old Colony Terrace, Tiverton.

Passed Unanimously

ITEM K - DEPARTMENT OF TRANSPORTATION – Requests conceptual approval to convey property located at 250-260 Warwick Avenue, Cranston.

This is for 2,217 square feet of land on Warwick Avenue, in front of 250-260 Warwick Avenue, Cranston. Jay Bee Realty LLC has purchased the car wash located at 250-260 Warwick Avenue, Cranston. They have made renovations to the car wash and are contemplating a gas station and convenience store for the parcel. The Department's Land Sales Committee approved this sale to Jay Bee Realty on June 27, 2005, contingent upon applying for a physical alteration permit.

A motion was made by Mr. Griffith and seconded by Mr. Woolley to approve the request of the Department for conceptual approval to convey property located at 250-260 Warwick Avenue, Cranston.

Passed Unanimously

ITEM L – DEPARTMENT OF TRANSPORTATION – A request was made by the Department for approval and signatures on Assignment of Lease, RIDOT and RB Realty, Dyer Street, Providence.

At the request of the Department, this item was removed from the Agenda.

The Committee moves to go into Executive Session, pursuant to Rhode Island General Law 42-46-4 (a)(5) for the specific purpose of discussion or consideration related to the acquisition or lease of real property for public purposes, or of the disposition of publicly held property wherein advanced public information would be detrimental to the interest of the public.

A Motion was made to go into Executive Session by Mr. Griffith and seconded by Mr. Woolley. A roll call vote was made. Mr. Griffith voted “Aye”, Mr. Kay voted “Aye”, Mr. Woolley voted “Aye”, and the Chair voted “Aye”.

A Motion was made by Mr. Griffith and seconded by Mr. Woolley to close the Executive Session and return to the regular meeting. The Motion was approved unanimously.

After reviewing Items “N”, “O” and “P” in Executive Session, the Committee acted on those matters in the regular session.

ITEM M - DEPARTMENT OF TRANSPORTATION – At the request of the Department this item was deferred.

ITEM N - DEPARTMENT OF TRANSPORTATION – A request was made for approval of Condemnation Plat 2558C, Bailey Brook to Enterprise Drive, Middletown in conjunction with the reconstruction of East Main Road.

The Department is reconstructing East Main Road in Middletown. To complete this project it is necessary to acquire one-year temporary easements on 25 parcels totaling 55,232 square feet. The estimated cost is \$86,822.00, which is 80% Federally funded. The Department came before the Committee on October 11 and at that time there were questions regarding the temporary easements. Discussion took place in the Executive Session.

A motion was made by Mr. Woolley and seconded by Mr. Griffith to approve the request by the Department for approval of Condemnation Plat 2558C, Bailey Brook to Enterprise Drive, Middletown in conjunction with the reconstruction of East Main Road.

Passed Unanimously

ITEM O – DEPARTMENT OF TRANSPORTATION – A request was made by the Department for approval of Condemnation Plat 2590 – Blackstone River Bike Path, Cumberland.

The Department is proposing to construct Segment 4 of the Blackstone River Bikeway in the Town of Cumberland. The Department requires acquisition of land, easements and improvements involving eight (8) parcels. Six (6) parcels will be partial land acquisitions totaling 57,174 square feet, eight (8) parcels will have temporary easements totaling 48,929 square feet and two (2) parcels will involve permanent easements of 43,425 square feet. The appraised value is \$68,701.00, of which 80% Federally funded.

A motion was made by Mr. Griffith and seconded by Mr. Woolley to approve the request by the Department for approval of Condemnation Plat 2590 – Blackstone River Bike Path, Cumberland.

Passed Unanimously

ITEM P – DEPARTMENT OF TRANSPORTATION – Name Change –
Condemnation Plat 2628, Route 5/Route 113 Intersection (Metro Center Boulevard to Potters Avenue), Warwick. This is a change of ownership. Ownership of Parcel 10 has been changed to Karl F. and Sara Kilguss from Edward Alger & Jacqueline Alger. There are no other changes.

A motion was made by Mr. Griffith and seconded by Mr. Woolley to accept the change of name of ownership of Condemnation Plat 2628, Parcel 10.

Passed Unanimously

ITEM Q - DEPARTMENT OF TRANSPORTATION – Update on Condemnation Plat 2619A, Narragansett Electric Co – Northwest Bike Trail/Woonasquatucket River Bikeway, Johnson/Providence.

A motion was made by Mr. Kay to approve Condemnation Plat 2619A, Narragansett Electric Co. – Northwest Bike Trail/Woonasquatucket River Bikeway, Johnson/Providence.

Passed Unanimously

With the exception of Item “C”, in which Mr. Woolley recused himself from voting, and Item “E” which was tabled, all matters presented to the Committee were approved by all present.

There being no further business to come before the Committee, the meeting adjourned.

Anne L. Lanni, Executive Secretary

